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GERMANY LOOKS TO THE EAST

by Felix Morley

"In that connection", a German friend said to me in Hamburg, "here's an interesting letter from a fourteen year old girl."

The connection referred to was the contribution of German technology to Soviet manufacture of the atomic bomb and the letter, from the daughter of a German physicist now working in Leningrad, was undeniably interesting. It told of the school for German children that she attends in this great Russian city. The teachers are German, instruction is in that language and there is no apparent Soviet supervision over the courses. Food is good and "we have lots of games". The Russians furnish transportation to and from the school.

"Was the letter planted?" I inquired.

"I don't think it's a fake in any way", my friend replied. "Louise [his daughter] and Emma were great friends. When Dr. S. started working for the Russians we thought we'd never hear from the family again. But lately letters have been coming through regularly and promptly. Undoubtedly the Kremlin wants Germans in the West to know that the policy now is one of rapprochement. The best way to spread that news is to let Germans tell Germans. Under Hitler we learned how to develop a grapevine."

The story of this independent German school in Leningrad impressed me. It is strongly at variance with educational policy in Western Germany, where the best unbombed school buildings are used for Occupation purposes and where student fraternities are still prohibited as possible centers of reaction. The story is also at variance with the predominant reports as to the terrible treatment of Germans at Russian hands. Yet evidence of at least a potential understanding between Germans and Russians kept cropping up during my 1500 miles of travel in Western Germany.

Investigating the dismantling of factories in the Ruhr I naturally talked at length with my German chauffeur. He had been a prisoner of the Russians, at Libau. "And how did they treat you?" I asked.

"Well enough", he said. "I'm a good mechanic, so I got privileges. But it was tough for the unskilled boys."

That, I think, is the answer. Germans who have technical skills find the Soviet authorities friendly. Perhaps we should be as alert as the Communists to what the people of Germany have to offer.

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The Federal Republic of Western Germany was formally inaugurated, at Bonn, on September 12, when its previously elected deputies chose Professor Theodor Heuss as President. He is the leader of the Free Democrats, who in coalition with the more numerous (Catholic) Christian Democrats control the Bundestag. The Prime Minister, Konrad Adenauer, former Burgermeister of Cologne, is a Christian Democrat.

On October 12, just a month after the Bonn Government was launched, the rival "People's Democracy" of East Germany was established in Berlin. My visit to Western Germany was during the critical and interesting period between these two events.

The government at Bonn, officially sponsored by the United States, Great Britain and France, got off to a most unfortunate start. On September 19, Great Britain reduced the dollar value of the English pound by 31 per cent. France and all the other Marshall Plan governments immediately followed suit. But the new German government at Bonn was not allowed to exercise this act of sovereignty. The Germans fumed -- and of course all business came to a virtual standstill -- while the three High Commissioners spent ten days discussing the extent to which the mark should be devalued.

In so many words this told the German people that the Bonn Government is pure facade, and that the effort and enthusiasm they had put into the first democratic election held in Germany since pre-Hitler days was futile. Immediately the Bonn regime was labelled "the government of the Three Kings" -- meaning the three High Commissioners.

At this moment John J. McCloy, the able High Commissioner for the United States, made a psychological mistake. The Occupation Statute places issues concerning German foreign exchange under the control of the three High Commissioners. But in case of disagreement their votes are weighted in proportion to the contribution of the respective Occupation Powers to the West German economy.

This regulation apparently gave Mr. McCloy full power of decision in regard to the devaluation of the mark. Nevertheless, in order to be co-operative, he travelled to Paris to hear from the French what German devaluation terms would be satisfactory to them. Of course the Germans took the rap, especially by the fixing of an arbitrarily low price in francs for Ruhr coal, an item accounting for about one-third of all German exports.

Because Germany is defeated, broken and prostrate, with the black Nazi record in the background, it does not follow that considerations of

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decency and justice no longer apply. And those who have no use for Christianity should at least consider a new element in the situation. There are two rival governments in Germany now. Germans can support either one.

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At present, the attitude of many in Western Germany is "a plague on both your houses". To all Germans the Bonn Government is just as much of a puppet as the one sponsored by the Russians in Berlin. While the Parliament at Bonn is elected, it has no power to do anything but talk. The Berlin Parliament is appointed, but has power to act, in close co-operation with its Russian supervisors.

The "Three Kings" at Bonn are generally in disagreement with each other. It is easy for each of them to say that a question of principle is involved, requiring reference to Washington, London or Paris. In those sprawling bureaucracies a matter on which decision is of vital importance to the Germans can easily be forgotten. Even after the devaluation settlement, the absence of any responsible government in Paris gave Commissioner François Poncet a splendid alibi for inaction.

While these affronts to the fledgling government at Bonn are not calculated, the pinpricks rob it of all prestige and add up to continuous exacerbation from the German viewpoint. The Russian efforts to take advantage of this irritation are very shrewd.

Clearly the Kremlin has abandoned the idea of turning Germany Communist in the near future. Its reply to the Marshall Plan, so far as Germany is concerned, is to promote the idea of an independent "People's Democracy" co-operating closely with a friendly Soviet Union, but possessed of much more sovereign power than is granted to Western Germany. Thus the East German Government has its own Foreign Minister in the person of George Dertinger, a Christian Democrat, while no such office is permitted in the Bonn regime. The Berlin Government also has its own uniformed army, the Volkspolizei, under the command of General Vincenz Mueller, a high Bavarian officer of the old regular army.

The Berlin Government has a Communist President, Wilhelm Pieck, and Prime Minister Grotewohl can also be thoroughly trusted by the Russians. Key Cabinet posts, such as Interior, Justice, Industry, and Culture are also in Communist hands. But a majority of the East German Cabinet are non-Communists. Foreign Minister Dertinger, for instance, belongs to the same political party as Prime Minister Adenauer of West Germany. The East German Government, in short, is what Communists and fellow travellers used to call "popular front". Temporarily, the Russians are glad to have it largely staffed with non-Communists, because this gives Berlin more national appeal.

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By themselves, these Russian overtures would not win over many of the inhabitants of Western Germany. These people would prefer to be incorporated in Western Europe and many of them have first-hand and unforgettable experience of what Communist domination really means.

But while we continue to treat the Germans as inferior beings, and indulge in such senseless practices as the dismantling of their soap factories, the tendency to look towards Russia with less misgiving becomes more widespread. The Communist conquest of China, and the Russian achievement in the field of atomic warfare, have also made a deep impression on the German mind.

Most of the Germans with whom I talked, after President Truman announced that Russia has the atomic bomb, think this development makes war between the United States and Russia less probable. In their opinion Moscow does not want war, at present, while American military leaders will now be restrained by realization of the vulnerability of Chicago, Detroit, Cleveland and other northern cities to atomic bombing.

These Germans conclude that the new balance of atomic power holds promise for peace, albeit uneasy. And even if war comes, they say, Germany will not again be a major battlefield. The bombing would be across the North Pole, while an easy Russian advance to the Atlantic would mean that any eventual American invasion of Russia would be more likely to come through Siberia than through Europe. And here an interesting point is made: The United States has stopped all dismantling of Japanese industry. It still permits dismantling of German industry. Ergo: Washington regards Japan and not Germany as an ally.

So, many Germans are thinking that they should make friends with Russia, since Russia wants them and since they must lean towards one or other of the two great giants of the post-war world. We ourselves declared, during the last war, that neutrality is no longer possible. Until recently the Germans, feeling themselves of the West, leaned ardently towards us. But we rebuff where the Russians woo and, I was told, "If we are what you say we are, then we belong with Russia."

In the growth of that belief the dismantling policy has been the most important single factor, for reasons to be examined next week.

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Not Merely Gossip *A Supplement to* Human Events Vol. VI, No. 45

By Frank C. Hanighen November 9, 1949

NEW YORK ELECTION: For quite different reasons Dr. George Gallup must be as pleased as President Truman about the New York Senatorial election. The outcome wholly vindicates the last pre-election Gallup Poll and thereby does something to eradicate memory of the disaster that overtook the pollsters a year ago. To the discouraged GOP the results are only superficially discouraging. Though he waged a brave campaign, Senator Dulles could not possibly shake off the "me too" stigma that hangs like a millstone on the Vandenberg-Dewey wing of the Party. The principle "asset" of Mr. Dulles was that he had endorsed and supported what the Administration is pleased to call its foreign policy, and in the light of events that is certainly faint praise for any candidate. If Dr. Gallup and President Truman are the chief gainers from New York, Senator Vandenberg and Governor Dewey are the chief losers. New York, 1949, has served primarily to highlight the importance of Ohio, 1950.

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PUBLIC POWER: Reports from New England suggest that a ventilation of the public power question is due in that area within a fortnight. Leaders of the Democratic Party will meet for a parley in Boston on November 20. Advocates of public power expect to have a field day at this conference. It is expected that they will vigorously voice proposals for "Little TVA's" for each of the six New England states, and the presence of Secretaries Krug, Brannan and Tobin will provide authority for the oratory.

Those who arranged the date overlooked the fact that the regional business organization called the New England Council will hold a conference on November 17. President Steinkraus of the U.S. Chamber of Commerce will speak, and it is believed that he will launch an attack on public power, and a defense of private ownership and operation of public utilities. When local Democrats got wind of this, they moved heaven and earth to get the New England Council to cancel or postpone its meeting. Obviously, the politicos fear that the Council show will impair the build-up for the Democratic Party meeting. Although pressure was put on the six New England Governors who belong to the Council, so far this pressure has not affected the Council's determination to gather and fire the first shot.

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EQUITY CAPITAL: The handsome General Motors dividend declared this week emphasizes the large earnings achieved by many corporations in this year of "recession". Publicly reported cash dividend payments up to now exceed the figure for the corresponding period in 1948. Experts cite a number of factors as causing this favorable development for stockholders. One is the fact that corporations are spending less in plant this year than in recent years. Another reason given is the desire to cultivate the equity capital market. A financial consultant for large steel firms tells us that, in a recent survey he made of the steel industry, he was surprised to find how little cash most of the companies possessed for expansion of plant. Not only steel, but many other corporations realize they must try to prepare a favorable ground for future offerings of stock.

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ANTI-TRUST: The controversy over the Administration's new "anti-trust" drive continues. Professor Harry L. Hansen of Harvard criticizes "preoccupation with preserving competitors to the sacrifice of other objectives". Price discriminations, he points out, are frequently the means whereby buyers and sellers jockey to arrive

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at new prices -- if we forbid price discrimination, we go far along the road to forbidding price competition." As to the famous suit against A & P, he said, "Forty years ago the large firm was commonly accused of lowering the standard of living by restricting production and raising prices. Now the essential charge is that the firm expands production too much, and charges too low prices."

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ORR AND FAO: The Nobel prize for peace has been bestowed on Lord Boyd Orr, and there have been many expressions of praise, on the ground that Orr has done much for the cause of world nutrition. Lord Boyd Orr, it should be explained, is the former Sir John Boyd Orr who published an epoch-making book, Food, Health and Income in 1935. There are some, however, who do not join in the general chorus of approval for this year's Nobel peace prize winner. They recall Orr's performance following the war, in the matter of the international food problem, when he headed the Food and Agriculture Organization of the UN (FAO). At that time, an unprecedented famine threatened the world, and various international agencies were already at work to try to mitigate it. Sir John (as he was then), however, did not leave the matter in their hands -- the obvious course -- and concentrate his agency's efforts on carving a practical program out of a wealth of recommendations; on constructing a sound, economical and efficent organization; and on recruiting a competent international staff. He leaped into the spotlight, demanded a master global food organization and modestly put in a bid for the post of what amounted to "world food dictator". In this effort, he ignored the Executive Committee of the FAO which would have undoubtedly warned him that his proposal constituted a demand for an economic super-State, and that no country would care to place its economic life under the dictatorship of an international board and to put up billions of dollars for this purpose. The scheme crumbled before the opposition of the United States.

The Food and Agriculture Organization, we gather, still bears the mark of Sir John's dictatorship. We have received a letter from a correspondent who has had intimate knowledge of the organization and its workings. He claims that many in the outfit are fellow travellers of long standing and that the size of the personnel is large and wasteful of funds. He fears the possible use of the FAO as an instrument for carrying out the famous Point Four Program and lists his reasons, as follows: "(1) This would deprive the U.S. of deserved recognition for a generous action (the experience with UNRRA furnishes a parallel). (2) It would, unless FAO is purged and reorganized, result in wasteful and inefficient administration of the program. (3) It might -- again, unless FAO is purged -- result in further strengthening of Communist influence throughout the world." In view of the above history, it behooves Congress to investigate this organization with as searching and skeptical an eye as it has recently given the International Refugee Organization.

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MOROCCAN TREATY VIOLATION: An interesting case is pending in the Federal District Court in Washington involving Executive failure to protect the rights of Americans abroad in face of foreign violations of a treaty. The case is an appeal for a permanent injunction brought against the State Department by Robert E. Rodes, Commander of the Morocco Post of the American Legion and spokesman for a group of American importers and exporters in Morocco. Rodes seeks to have the State Department enjoined "from relinquishing our treaty rights in Morocco". The New York Times (October 23) reported that foreign traders are watching the suit with interest. Rodes says that the outcome involves more than the interests of our foreign traders, it involves an important issue of Constitutional authority. The Court is asked to determine whether or not United States treaties, entered into with the advice and consent of the Senate, may be set aside by simple Executive action.

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Mr. Rodes last summer dropped into our office and explained his case. He had the air of a man about to commit mayhem on the Executive arm of the Government. In 1945, after resigning from the American Army, Rodes set out to help "develop" French Morocco (thus anticipating Point Four by some years) by selling the inhabitants of that land American machinery and goods. He and about two score other American war veterans set up various business enterprises in Casablanca following V-J Day. After some trouble with French restrictions, they managed to achieve a pretty good turnover by the year 1948, disposing of American wares to Moroccans. Then the blow fell. The French finance director issued a decree forbidding completely the importation of most American products and drastically restricting others. According to Rodes, the French official said his fiat was designed to end all competition by foreigners with Frenchmen in Morocco. The American business community appealed to the State Department, for the decree was in violation of treaty.

But at this point Mr. Paul Hoffman, ECA Administrator, stepped in, approved the decree and got the State Department to acquiesce. And this, Rodes charges, is in violation of our treaty of 1880 with Morocco, duly ratified by the Senate and assuring to U.S. trade and citizens equal treatment with the French.

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CHINA WHITE PAPER: "A certain State Department document", a newspaper friend remarked, "was effectively suppressed by putting it in the China White Paper." Entombed in that almost impenetrable volume of over 1,000 pages anyone would naturally fail to find it. Until some able scholar with a good knowledge of Chinese and American politics can find the time to make a thorough study of the document, the public will suffer for lack of a thorough analysis of the record of our "Failure of Secret Diplomacy in China". That is the title of a short piece in the Far Eastern Survey, September 7, by Professor Paul M. A. Linebarger of the School of Advanced International Studies, Washington. Linebarger epitomizes this "whitewash" paper as follows: " . . . in the Nineteenth Century Western world there were, briefly, two categories of utterance: truth and lies. A truth was uttered as a truth and meant to be received as a truth. A lie was uttered as though it were a truth, and was meant to deceive. But, said MacNair, the governments of Ching China and Tokugawa Japan had a third category of utterance: the lie which was uttered as a lie, which was meant to be received as a lie, and which was intended to provide courteous falsehoods without deceiving anyone. The Western visitors had a hard time accustoming themselves to a bland Chinese lie which, whenever necessary, was juxtaposed 180 degrees to the mere facts.

"This unfortunate contrast has now spread to our own country. The Secretary of State, Mr. Dean Acheson, is a man of highly trained intelligence and irreproachable American background. Nevertheless he states, on the first page of the letter of transmittal: 'No available item has been omitted because it contains statements critical of our policy or might be the basis of future criticism. The inherent strength of our system is the responsiveness of the Government to an informed and critical public opinion. It is precisely this informed and critical opinion which totalitarian governments, whether Rightist or Communist, cannot endure and do not tolerate.' Having paid formal obeisance to the American past, the Secretary then goes on to present a digest of the paper which, clearly and effectively, argues a bitterly partisan defense of American policy toward China. Chinese frailties are cited, but never American; Chinese corruption and defeat are described, but never American corruption and defeat, such as General Stilwell and his staff (including me) changing our pay on the black market and the tragic Z-force debacle at Kweilin, even when these occurred on Chinese soil. The 'informed and critical' public opinion is given a lawyer's brief and not the access to the facts."

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Book Events

A Communist Party in Action: An Account of the Organization and Operations in France, by A. Rossi; translated and edited by Willmoore Kendall. New Haven: Yale University Press. $4.00. Reviewed by J. M. Lalley.

M. Rossi is another of the large and ever-growing body of apostates who have served the valuable purpose of awakening the world to the true nature of Communism and to the aims and methods of the Communist Party. It is twenty years since M. Rossi broke with Stalin and repudiated the Marxist ideology; but before that he had been active in the affairs of the Comintern, had served in its secretariat, and had personal acquaintance of most of the prominent figures of the party. He is thus well qualified as an observer and interpreter of its subsequent history. His book, called in the original Physiologie du Parti Communiste Francais, is primarily a study of French Communist behavior from the period just before the Molotov-Ribbentrop pact of 1939 to the period following the Nazi attack on Russia in June 1941. We can thus compare the conduct of the party as the guiding genius of the popular-front against Fascism, as the collaborator of the Nazis and the German Occupation, and as the boldest and most tireless element of the Resistance. We observe the protean character of the propaganda, but we also perceive, behind all these inconsistencies, one unvarying constant: an absolute fidelity to the interest or need of Soviet Russia, as reflected by the will of Stalin.

The importance of the book of course is that the organization and methods of the French Communist Party are in no way peculiar to it, and M. Rossi's analysis thus holds good for Communists everywhere. He explains with startling lucidity the motives that induce intelligent men to become Communists or fellow travellers and the techniques of indoctrination and discipline that convert them into fanatical and obedient instruments of the Kremlin. He gives us the reasons for the success of the party in enlisting to its purposes the influence of so many teachers, writers, journalists and savants. He explains the relationship of the party and the trade unions, and he enables us to distinguish between the real and the ostensible leadership; that is, between the central bureaucracy that transmits the orders of Moscow and the party figureheads or functionaries who must obey the orders. He permits us to distinguish between the "legal" party, operating openly in public life, exploiting freedom with the aim of destroying it, and the "illegal" or conspiratorial party, operating clandestinely. M. Rossi, however, considers that the enemies of Communism have tended to place too much emphasis on these activities.

Surprisingly enough for a Socialist, M. Rossi attributes the great successes of French Communism to the secularization and sterility of modern life and the consequent proliferation boredom, discontent and the sense of futility among all classes. The Communist must indeed surrender his ethical scruples, his will and his critical judgment; but he gains in return the inner security that comes from intellectual certitude and with it an intoxicating sense of importance. Thus, says M. Rossi, the way of salvation from Communism lies in strengthening those bonds of communal unity and class comity that bourgeois society has permitted to relax. Meanwhile, he warns us that the notion that Communism can ever be assimilated into the life of any nation "is the most dangerous political illusion of our time". In relation to the community Communism can never be anything but an alien growth, a cancer destructive of the healthy social tissue. Yet M. Rossi is not prepared for surgery; he does not believe that the party should be outlawed or suppressed, because, as I gather, forcible suppression would be an affirmation of the fundamental concepts of Communism. This is a view from which his translator very passionately dissents; and between them M. Rossi and Mr. Kendall have sharpened the horns of our great contemporary dilemma.

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